



DONELAN CLEARY
WOOD & MASER, P.C.

June 29, 1999

Via Hand Delivery

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

RECORDATION NO. 22213, A FILED

JUN 29 '99

10-30AM

Dear Secretary Williams:

Enclosed for recordation, under the provisions of 49 U.S.C. § 11301(a) and the regulations promulgated thereunder, are executed counterparts of a primary document and a related secondary document not previously recorded. The primary document is entitled Memorandum of Lease, dated as of June 28, 1999 ("Memorandum of Lease") between Equistar Chemicals, LP, a Delaware limited partnership, ("Lessee") and ABN AMRO Bank N.V., a bank organized under the laws of the Netherlands, not in its individual capacity (except as specifically set forth in the underlying Lease) but solely in its capacity as the Agent Lessor for the Participants ("Agent Lessor"). The secondary document is entitled Lease Supplement, dated as of June 28, 1999 between Lessee and Agent Lessor. The Memorandum of Lease should be recorded under a new recordation number and the Lease Supplement should be recorded under that new number as Recordation No. - A.

The parties to the Memorandum of Lease and the Lease Supplement are:

AGENT LESSOR	—	ABN AMRO Bank N.V. 135 South La Salle, Suite 725 Chicago, IL 60674-9135
LESSEE	—	Equistar Chemicals, LP 1221 McKinney Street, Suite 700 Houston, TX 77010

The said Memorandum of Lease and Lease Supplement each cover the leasing by the Agent Lessor to the Lessee of the covered hopper cars identified in Schedule I to the Lease Supplement, a copy of which is attached hereto as Schedule I.

A short summary of the Memorandum of Lease and the Lease Supplement to appear in the STB Index follows:

ATTORNEYS AND COUNSELORS AT LAW

1100 New York Avenue, N.W., Suite 750, Washington, D.C. 20005-3934, Tel: 202-371-9500, Fax: 202-371-0900

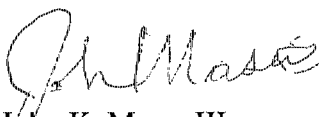
#6174

"Lease of covered hopper cars bearing identification mark EQUX and numbers as set forth in Schedule I to the Lease Supplement, dated as of June 28, 1999 between Equistar Chemicals, LP, as Lessee and ABN AMRO Bank N.V. as Agent Lessor."

Enclosed is a remittance in the amount of \$52.00 for the required recording fees.

Once the filing has been made, please return to bearer the stamped counterparts not needed for your files, together with the fee receipt and letter from the Secretary acknowledging the filing, and the extra copies of this letter of transmittal.

Very truly yours,



John K. Maser III
*Attorney for purposes of this
filing for Equistar Chemicals, LP
and ABN AMRO Bank N.V.,
not in its individual capacity,
but solely as Agent Lessor*

Enclosures

2996-020

FILING AND RECORDING REQUESTED BY,
AND WHEN FILED AND RECORDED RETURN TO:

RECORDATION NO.

FILED

DONELAN, CLEARY, WOOD & MASER, P.C.
1100 New York Avenue, N.W.
Suite 750 West Tower
Washington, DC 20005-3934
Attention: John K. Maser III, Esq.

JUN 29 '99

10-30AM

----- SPACE ABOVE THIS LINE FOR RECORDER'S USE -----

MEMORANDUM OF LEASE

dated as of June 28, 1999

between

EQUISTAR CHEMICALS, LP
a Delaware limited partnership,
as Lessee,

ABN AMRO BANK N.V.
not individually
but in its capacity as Agent Lessor

This MEMORANDUM OF LEASE dated as of June 28, 1999 (this "Memorandum") between ABN AMRO BANK N.V., not in its individual capacity, but solely as Agent Lessor, with an address at 135 South LaSalle, Suite 725, Chicago, Illinois 60674-9135 ("Agent Lessor"), and EQUISTAR CHEMICALS, LP, a Delaware limited partnership, with an address at 1221 McKinney Street, Suite 700, Houston, Texas 77010, as Lessee ("Lessee").

W I T N E S S E T H:

WHEREAS, Lessee and Agent Lessor have entered into that certain Lease dated as of the date hereof (the "Lease") pursuant to which, Agent Lessor will lease to Lessee, and Lessee will lease from Agent Lessor, the units of equipment (the "Units") delivered to Agent Lessor on each Delivery Date as more fully described in each Lease Supplement;

NOW, THEREFORE, in consideration of the mutual premises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Definitions; Interpretation; Full Recourse. For all purposes hereof, the capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in Appendix 1 to that certain Participation Agreement dated as of even date herewith, among Lessee, Agent Lessor and the Participants identified therein (the "Participation Agreement"). The rules of interpretation set forth in such Appendix 1 shall also apply hereto. This Memorandum evidences of record the Lease, and all references herein or in the other Operative Documents to the Lease shall be deemed to include this Memorandum. All obligations imposed on the "Lessee" in the Lease shall be the full recourse liability of Lessee.

SECTION 2. Units. Effective upon the execution and delivery of this Memorandum and each Lease Supplement by Agent Lessor and Lessee, the Units identified in such Lease Supplement shall be subject to the terms and provisions of the Lease. Subject to the terms and conditions of the Lease, Agent Lessor hereby leases the Units to Lessee for the Lease Term and Lessee hereby agrees to lease the Units from Agent Lessor for the Lease Term.

SECTION 3. Lease Term. The term of the Lease and this Memorandum (the "Lease Term") shall begin on the date hereof and shall end on June 28, 2004), unless earlier terminated in accordance with the provisions of the Lease or the other Operative Documents. For and in consideration of good and valuable consideration paid by Lessee to Agent Lessor as described in the Lease, Agent Lessor hereby grants to Lessee the right to purchase

the Units or to market and sell the Units during the Lease Term of this Memorandum on the terms set forth in the Lease.

SECTION 4. Nature of the Transaction. It is the intention of the parties that:

(a) the Overall Transaction constitutes an operating lease from Agent Lessor and Participants to Lessee for purposes of Lessee's financial reporting;

(b) for all other purposes, including federal and all state and local income and transfer taxes, bankruptcy, insolvency and receivership (including the substantive law upon which bankruptcy, insolvency and receivership proceedings are based), commercial law and UCC purposes:

(1) the Overall Transaction constitutes a financing by the Participants to Lessee and preserves beneficial ownership in the Equipment in Lessee, and the obligations of Lessee to pay Basic Rent shall be treated as payments of interest to the Participants, and the payment by Lessee of any amounts in respect of the Lease Balance shall be treated as payments of principal to the Participants; and

(2) the Lease grants a security interest in the Equipment in favor of Agent Lessor for the benefit of the Participants.

Nevertheless, Lessee acknowledges and agrees that none of Agent Lessor or any Participant has made any representations or warranties concerning the tax, accounting or legal characterization of the Operative Documents or any aspect of the Overall Transaction and that Lessee has obtained and relied upon such tax, accounting and legal advice concerning the Operative Documents and the Overall Transaction as it deems appropriate.

(c) Specifically, without limiting the generality of Section 4(a), the parties hereto intend and agree that in the event of any insolvency or receivership proceedings or a petition under the United States bankruptcy laws or any other applicable insolvency laws or statute of the United States of America or any State or Commonwealth thereof affecting Lessee, Agent Lessor or the Participants or any collection actions, the transactions evidenced by the Operative Documents are loans made by the Participants in each case as unrelated third party lenders, and that Agent Lessor holds title to the Equipment for the benefit of the Participants to secure Lessee's obligations to repay such loans to the Participants and all other amounts due under any of the Operative Documents.

SECTION 5. Notice to Potential Claimants. Nothing contained in this Memorandum or the Lease shall be construed as constituting

the consent or request of Agent Lessor, expressed or implied, to or for the performance by any contractor, mechanic, laborer, materialman, supplier or vendor of any labor or services or for the furnishing of any materials for any construction, alteration, addition, repair or demolition of or to any Unit or any part thereof. NOTICE IS HEREBY GIVEN THAT NEITHER AGENT LESSOR NOR ANY PARTICIPANT IS OR SHALL BE LIABLE FOR ANY LABOR, SERVICES OR MATERIALS FURNISHED OR TO BE FURNISHED TO LESSEE, OR TO ANYONE HOLDING A UNIT OR ANY PART OR PORTION THEREOF THROUGH OR UNDER LESSEE, AND THAT NO MECHANIC'S OR OTHER LIENS FOR ANY SUCH LABOR, SERVICES OR MATERIALS SHALL ATTACH TO OR AFFECT THE INTEREST OF AGENT LESSOR OR ANY PARTICIPANT IN AND TO ANY EQUIPMENT.

SECTION 6. Ratification. The terms and provisions of the Lease are hereby ratified and confirmed and remain in full force and effect. In the event of any conflict between the terms of the Lease and the terms of this Memorandum, the terms of the Lease shall control.

SECTION 7. GOVERNING LAW. THIS MEMORANDUM SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THEREOF.

SECTION 8. Counterpart Execution. This Memorandum may be executed in any number of counterparts and by each of the parties hereto in separate counterparts, all such counterparts together constituting but one and the same instrument.

[Signatures on next page]

IN WITNESS WHEREOF, each of the parties hereto has caused this Memorandum to be duly executed by an officer thereunto duly authorized as of the date and year first above written.

LESSEE:

EQUISTAR CHEMICALS, LP,
a Delaware limited partnership

By: 

Name Printed: KELVIN R. COLLARD

Title: VP and CONTROLLER

AGENT LESSOR:

ABN AMRO BANK N.V., not individually but
solely in its capacity as Agent Lessor

By: _____

Name Printed: _____

Title: _____

By: _____

Name Printed: _____

Title: _____

IN WITNESS WHEREOF, each of the parties hereto has caused this Memorandum to be duly executed by an officer thereunto duly authorized as of the date and year first above written.


LESSEE:

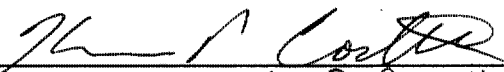
EQUISTAR CHEMICALS, LP,
a Delaware limited partnership

By: _____
Name Printed: _____
Title: _____

AGENT LESSOR:

ABN AMRO BANK N.V., not individually but
solely in its capacity as Agent Lessor

By: 
Name Printed: Eric R. Hollingsworth
Title: Vice President

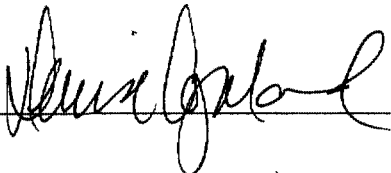
By: 
Name Printed: Kevin P. Costello
Title: Vice President

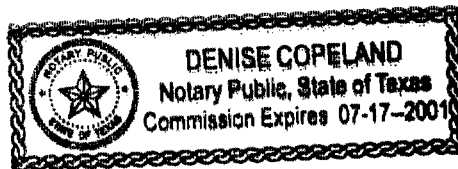
ACKNOWLEDGMENT-LESSEE

COUNTY OF HARRIS)
)
STATE OF TEXAS)

On JUNE 25, 1999, before me, DENISE COPELAND,
a Notary Public in and for said State, personally appeared
KEVIN R. COLLARD, personally known to me (or proved to me
on the basis of satisfactory evidence) to be the person(s) whose
name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on
the instrument the person(s), or the entity upon behalf of which
the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature  (Seal)



ACKNOWLEDGMENT- AGENT LESSOR

STATE OF TEXAS)
)
COUNTY OF HARRIS)

On June 28, 1999, before me, Lea Ann DelAngel
a Notary Public in and for said State, personally appeared
Eric R. Hollingsworth and Kevin P. Costello,
personally known to me (or proved to me on the basis of
satisfactory evidence) to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the
person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Lea Ann DelAngel (Seal)

